



United States
Department of
Agriculture

Forest
Service

Cowlitz Valley
Ranger District

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File Code: 2830

Date: August 6, 2010

Geological Consultant BSc, PGeo
Ascot Resources Ltd.
133 Robson Drive
Kamloops, British Columbia, Canada, V2E2K6

Rick Kasum
Operations Manager
Ascot Resources Ltd.
#420- 475 Howe Street
Vancouver, British Columbia, V6C 2B3

Dear Mr. Evans & Mr. Kasum:

The Forest Service has reviewed the drilling proposal submitted April 7, 2010, along with clarifying documents and modifications submitted June 13, 2010, and July 16, 2010. We very much appreciated your willingness to meet with our planning staff on June 17, 2010, to explain the proposal and the subsequent field trip to several of the proposed drilling sites that day. The discussions with you and the field trip were extremely valuable in establishing a common understanding of the drilling operation, and concerns identified by the Forest Service.

We have completed our project analysis for your proposed drilling of 14 core holes located in portions of Sections 7, 8, 17, and 18, Township 10 North, Range 6 East, WM, all a part of Mineral Survey #708 within Skamania County, WA. This letter of concurrence documents that the Forest Service has received your operating plan and moreover, we have agreed to the environmental protection measures described in your operating plan and Exhibit A (enclosed) which we believe will protect National Forest System surface resources while recognizing your outstanding mineral rights. Exercising the mineral rights your company has secured and completing additional drilling to confirm historic results, will also provide a better understanding of the geology and mineral resources of the area. During our conversations, you have expressed a willingness to work together to address ways to reduce the potential impact of drilling operations and these mitigation measures are listed on Exhibit A and made a part of the Forest Service project concurrence. We understand that Ascot Resources Ltd. will soon begin operations as per the April 7, June 13, and July 16 submittal/amendments and the enclosed Exhibit A.

I want to thank you again for the communication, responsiveness, and flexibility in formulating your drilling plans. We understand that plans may change and that additional adjustments may be warranted. Kristie Miller, Cowlitz Valley District Ranger, is your primary contact and can be reached at (360) 497-1105, kmiller@fs.fed.us. Ron Freeman is also available at (360) 891-5156, rfreeman@fs.fed.us. We look forward to working with you as your operations commence.

Sincerely,

/s/ KRISTIE L. MILLER
KRISTIE L. MILLER
Cowlitz Valley District Ranger

Enclosures

cc: Ron Freeman
Kristie L Miller



Mailroom R6 Gifford Pinchot